

# The Crown Minerals Act - Review of law and Regs.

How the Act is and how it may Change

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# Minerals Activity & Exploration

- Northland – hydrothermal gold, silver
- Silica Sands – Northland coast
- Iron Sands – West Coast North Island
- Coromandel – Gold, silver – Cu Zinc, Lead
- Coal – Waikato, West coast North Island, Lignite – South Island
- Gas and oil – various – Taranaki, East Coast, ++
- Off shore Oil and gas and methane hydrates
- Off shore phosphorite etc nodules
- Black chimneys –
- Massive sulphide deposits – seeps
- Rutile – West Coast South Island
- Tasman, Golden Bay, Kahurangi

# Crown Minerals Regime:

- Crown Minerals Act 1991
- Minerals Programme for Petroleum 2005
- Minerals Programme for Minerals (Excluding Petroleum) 2008
- Crown Minerals (Petroleum) Regulations 2007
- Crown Minerals (Minerals and Coal) Regulations 2007
- Crown Minerals (Petroleum Fees) Regulations 2006
- Crown Minerals (Mineral Fees) Regulations 2006.

# Permit Types For Minerals

- Fossicking permits,
- Prospecting permits,
- Exploration and
- Mining permits,

in increasing order of impact, though fossicking is not something industry is likely to want.

**Table 1: Number of current petroleum and mineral permits**

	<b>Prospect</b>	<b>Explore</b>	<b>Mining</b>	<b>Total</b>
<b>Tier 1</b>				
Oil and gas	0	62	20	82
Hard rock gold and silver	11	58	8	77
Coal	5	49	121	175
Ironsand and phosphate	6	4	1	11
<b>Tier 2</b>				
Alluvial gold	21	85	332	438
Aggregate and limestone	1	2	232	235
Other (e.g. diatomite, clay, perlite)	1	3	4	8
Total	45	263	718	1026

# Minerals Programmes

- Minerals Programmes: Petroleum, Minerals.
- Minerals programmes establish:
  - specific policies, procedures and provisions to provide for the efficient allocation of rights over Crown-owned minerals
  - royalty regimes and rates
  - policies and considerations that the Minister will take into account in exercising his or her powers and functions under the Act
  - specific requirements for consultation with iwi and hapū, including the matters which must be consulted on and the principles of such consultation.

# Who owns the minerals?

- The Crown owns all petroleum, gold, silver, and uranium, and may own the other minerals.
- Who owns the other minerals and access to the minerals depends on the land act in force when the land was alienated from the Crown, **except that any land alienated from (sold by) the Crown since 1991 reserved all minerals to the Crown.**
- **Owners with “Victorian Title” may have ownership of the minerals and/or the ownership of the right of access to minerals.**

# Consent to access land

Under the Crown Minerals Act as it stands:

- in general, land owners and occupiers must give consent for access to land, and minerals permit holders must give notice of their intention to enter land.
- The exception to the right of owners and occupiers to deny entry to land by permit holders is for minimum impact activities.
- For Minimum impact activities, permit holders have to provide 10 days notice to owners and occupiers and to any customary marine title group under the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).



# Minimum Impact Activities

- **Don't require** landowner/occupier consent for access
- **Do require** 10 days notice specifying:
  - date of entry
  - type & duration of work
  - telephone number of person who intends to enter

*Can refuse access if no notice given*

# Minimum Impact Activities are not

“impacts of greater than minimum scale and in no circumstances shall include activities involving—

(g) the cutting, destroying, removing, or injury of any vegetation on greater than a minimum scale; or

(h) the use of explosives; or

(i) damage to improvements, stock, or chattels on any land;

or

(j) any breach of the provisions of this or any other Act, including provisions in relation to protected native plants, water, noise, and historic sites; or

(k) the use of more persons for any particular activity than is reasonably necessary; or

(l) any impacts prescribed as prohibited impacts; or

(m) entry on land prescribed as prohibited land.”

# Prospecting

- “*prospecting* means undertaken for the purpose of identifying land likely to contain exploitable mineral deposits or occurrences; and includes—
- (a) *geological, geochemical, and geophysical surveys; and*
- (b) *the taking of samples by hand or hand held [including motorised boring] methods; and*
- (c) *aerial surveys,—”*

Comment: Such permits may cover hundreds or thousands of square kilometres.

# Exploration

- “**exploration** means any activity undertaken for the purpose of identifying mineral deposits or occurrences and evaluating the feasibility of mining particular deposits or occurrences of 1 or more minerals; and includes any drilling, dredging, or excavations (whether surface or subsurface) that are reasonably necessary to determine the nature and size of a mineral deposit or occurrence; and *to explore* has a corresponding meaning.”

**Comment:** Such permits are likely to allow:

multiple drill sites with accompanying clearance of vegetation, tracks, and flattening areas;

high impact activities, including grid sampling

“bulk sampling” which can be huge earth works like a motorway cutting, or dredging large areas.

# Drilling



Drilling, source, Exito

# Prospecting & Exploration: Drilling



Source: AUSIMM



Source: <http://www.atlascopcoexploration.com/1.0.1.0/354/TS3.pdf>

# Drill site at Parakiwai Valley near Whangamata.



Locals & visitors visit the drill site. It is ecologically significant and home to the world's most endangered species of frog, our native Archey's frog." - Rosemary Segedin, spokesperson for Earthwatch Whangamata.

# Kauaeranga Valley: Newmont & contractors are escorted out of the Valley by residents, Nov, 2011.

Source:  
Coromandel  
Watchdog,  
Sylvie  
Boutelje-  
Chasteau





# Onemana, Oputere and Whangamata residents and Whangamata Earthwatch



Source:  
Coromandel  
Watchdog,  
[www.  
watchdog.  
org.nz](http://www.watchdog.org.nz)

# Mining – includes extraction, processing dumping

***mining operations*** means operations in connection with mining, exploring, or prospecting for any Crown owned mineral including—

- (a) the extraction, transport, treatment, processing, and separation of any mineral; and
- (b) the construction, maintenance, and operation of any works, structures, and other land improvements, and of any machinery, and equipment, connected with such operations; and
- (c) the removal of overburden by mechanical or other means, and the stacking, deposit, storage, and treatment of any substance considered to contain any mineral; and
- (d) the deposit or discharge of any mineral, material, debris, tailings, refuse, or wastewater produced from or consequent on, any such operations; and
- (e) the doing of all lawful acts incidental or conducive to any such operations—

when carried out at or near the site where the mining, exploration, or prospecting is carried out.

Opencast mine pit at Martha Mine – 2010 – Photo  
Coromandel Watchdog [www.watchdog.org.nz](http://www.watchdog.org.nz).



# Open cast mining @ Newmont's Waihi Gold Mine: tailings, waste dump not shown.

Source: Newmont -AUSIMM



Martha Mine also has processing plant, transport, waste rock, tailings and dewatering places.



Photo:  
Coromandel  
Watchdog  
copyright.

<http://www.flickr.com/photos/coromandelwatchdog/4308812500/sizes/m/in/photostream/>

# Crown Minerals Review

- Act and programme.
- Proposed 2-tier assessment
- More intense scrutiny of high impact mining –
  - Eg hard rock mining
- Less scrutiny of the simpler mining types - eg alluvial gold mining.

# 2 Tier mining management

- Tier 1 activities will be subject to a more hands-on, coordinated management and regulatory regime. They include petroleum (oil and gas), hard rock gold and silver, coal and ironsand, and emerging phosphate and sulphide minerals operations.

Tier 2 Activities a simpler management regime.

They include aggregate, industrial rocks and building stones, peat, perlite, pumice, silica and zeolite as well as hobby and small enterprise alluvial gold operations.

# Summary of proposed changes

- • Include an assessment of applicants' Health, Safety and Environment (HSE) policies, capability and record in the initial stages of the permit allocation process – **this not open to public input.**
- • Introduce a requirement for an annual review of the work programme for oil and gas permits, and certain higher-risk mineral activities – **no public release**
- • Focus regulatory effort on those responsible for day-to-day management of activities by differentiating 'operators' from other permit holders **what about beneficial owners, eg liability. Pike River an EG of pressure from owners.**



# “Pragmatic and flexible”?

- *a pragmatic management regime for low-risk, low-royalty operations*
- May mean no public consultation or input for non-tier 1 mining, eg most non-metallic minerals operations.
- Public may only get to input to regulations (in consideration now) not to actual applications.
- Much more in reforms – some sensible, some not.
- Did not (so far) remove land owner veto.

# For More Info

- An explanation of some of the activities can be found at:
- <http://www.atlascopcoexploration.com/1.0.1.0/354/TS3.pdf>

# In the Coromandel:

- Newmont in the form of Waihi Gold has a raft of applications, including
- one from inland Tairua one ridge inland of the coast, through the Whenuakite valley and arcing round past Hot Water Beach, Cooks Beach and up to Whitianga and Kuaotunu.
- This prospecting licence, granted in January 2012, is 222.5 square km and the applicant must take at least 100 samples over 24 months.

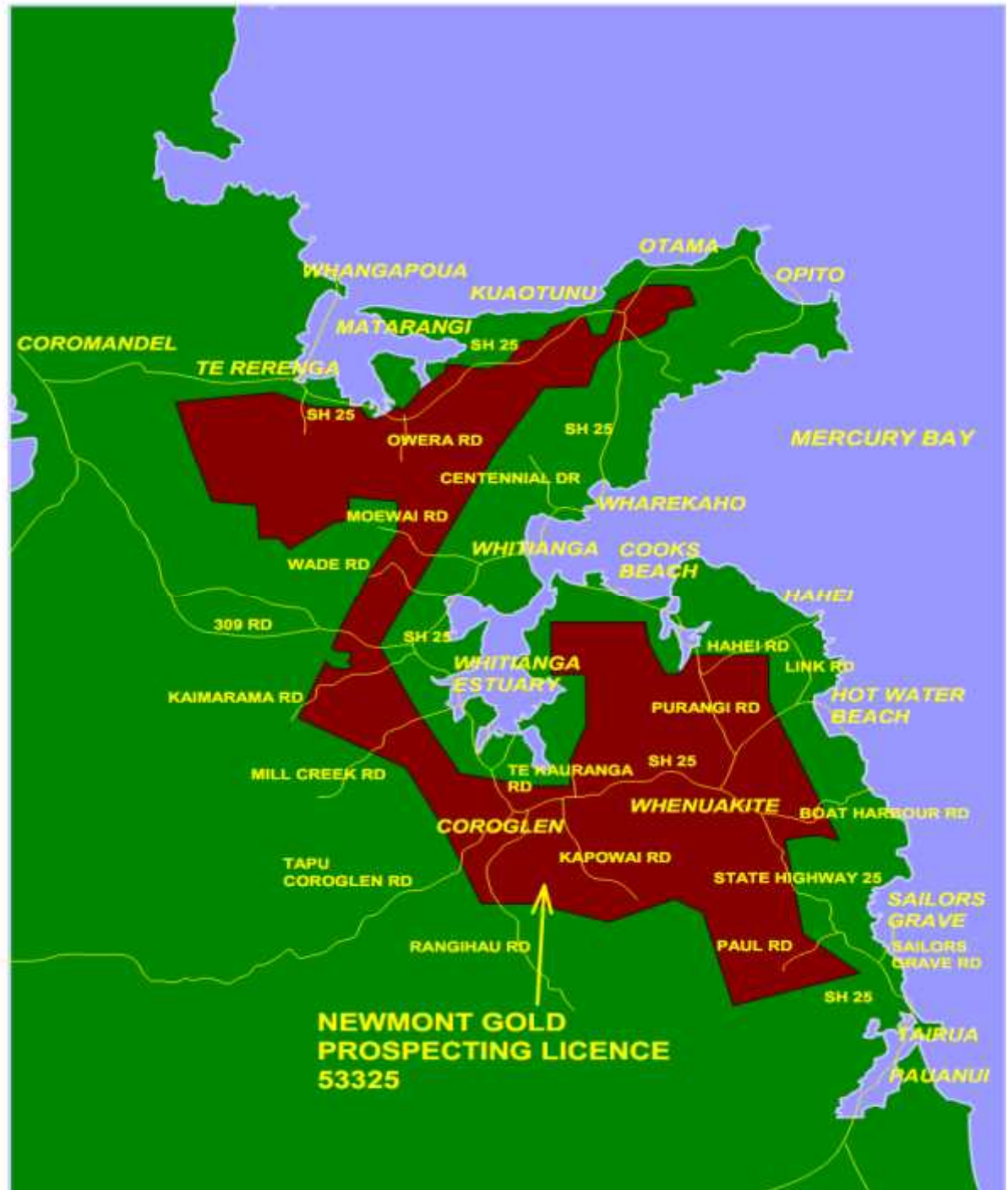
# The work programme for prospecting permit 53325 comprises the following:

- A review of all existing and relevant data and the establishment of a digital database;
- A programme of reconnaissance geological mapping and the creation of a regional scale geological map;
- A programme of reconnaissance geochemical sampling for a minimum of 100 samples;
- A programme of geophysical surveying; and
- Delineation of prospective targets for work under a subsequent exploration permit.

In terms of the definition in section 2 of the Crown Minerals Act 1991 ('CMA'), all of these activities can be considered as minimum impact activities.

# Newmont Prospecting Licence

– granted  
January 2012



# Newmont Prospecting - Whenuakite



